

# Trade Union Membership and Employee Compensation Among Nurses in Nakuru Level Five Hospital, Kenya

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**Abstract:** Trade unions represent the employees' interest to the employers. The right to form and join a trade union is a fundamental human right. A well-functioning and respected trade union movement is often a good indicator of democracy and standards of human rights. Significant motivations for joining the union are that; it enhances the unity and solidarity of work-force, job security and for securing better working conditions. For this reason, the study investigated trade union membership and employee compensation in public health sector in Kenya. A case of nurses working in Nakuru level 5 hospital. More specifically the study investigated the influence of expanded bargaining power, role in Kenya's public health sector, trade unions play an important role in preventing workplace discrimination and in lowering income disparities on employee remuneration. This study was guided by theories which included; Standard Economic Theory, Industrial Democracy Theory and System Theory. The study employed descriptive survey research design. The study was conducted in Nakuru level 5 hospital in Kenya. The target population for the study were all the unionisable nurses currently working in the hospital. There are 339 nurses working in the hospital. As such the study specifically targeted the 339 nurses in Nakuru Level five hospital in Kenya. The study adopted simple random sampling to pick the 136 nurses from the 339 nurses to be the study's respondents. The researcher employed the use of a structured questionnaire to collect data from the respondents. The instrument was pilot tested where Cronbach alpha coefficient was used to test reliability of the instrument. Data collected was coded and analyzed using descriptive statistics (frequencies, percentages, means and standard deviation) and inferential statistics (correlations and multiple regression) using Statistical Package for Social Sciences (SPSS) and presented using tables. From the findings, expanded bargaining, role of trade unions in eliminating workplace discrimination and role of trade unions in reducing income inequality had a significant influence on employee compensation in public health sector in Kenya. Regression analysis demonstrated that the independent variables taken together could significantly account for 63.6% of the total variation in employee compensation. The study recommended that such study results should be routinely obtained for use in management decision making regarding resource allocation. In conclusion, the study recommended that the research be replicated in other counties in Kenya to examine other factors accounting for the remaining variance of 36.4% so as to enable generalization of these findings.

## 1.1 Background of the Study

Trade union activities are related with employees in a workplace where they have been acknowledged and recognized as an essential action in an organization (Shrestha, 2012). According to research, unionized companies are more productive than nonunionized ones (Devinatz, 2011; Amah & Ahiauzu, 2013). Wage negotiations, CBAs, work regulations, complaint processes, rules controlling hiring, firing, and promotion of workers, benefits, workplace safety, and policies are all examples of trade union operations. Union leaders' agreements are binding on the whole membership, the employer, and, in some situations, even non-member employees. (Thomas & Daryl, 2012).

In the case of unions, the preferred human resources management system of collective bargaining is strongly tied to the institutional value of protecting individual and employee rights (Klingner et al., 2010). Unions seek to protect this institutional value by attempting to establish formal organizational rules in the labor contract that limit managerial discretion over personnel matters (Klingner et al., 2010). Although the value of individual and employee rights protection characterizes the union collectively, unions socialize these beliefs into new members to ensure continued maintenance of the labor organization.

Most of the benefits workers enjoy up to this day are evidence of the success of trade union movements in the past, including the right to organize and enjoy sick leaves, paternity leaves, overtime pay, among others. Through collective bargaining agreements and strike movements, unions have successfully provided workers with the means to secure better working conditions and improved standards of living (Edralin, 2009).

### **1.2 Statement of the Problem**

Based on the Kenya health workforce report (2015), the ratio of currently practicing nurses to population in Kenya is 8.3 nurses per 10,000 population compared with the WHO recommendation of 25 nurses per 10,000. By 2015, Kenya had 5,660 doctors and 603 dentists retained in the country which translated to approximately 1.5 doctors and 0.2 dentists to 10,000 population, against the WHO recommended minimum staffing level of 36 doctors per 10,000 population. The figures depict the dire need of health workers in the country. The report further indicates that between 2004 and 2015, 482 nurses had intended to work in other countries, while a total of 107 pharmacists intended to out-migrate between 2008 and 2015. Nonetheless, the report noted that although previously, outmigration was a factor in nursing workforce attrition, outmigration no longer appears to be a significant contributor to HCW shortage. Health care staff are crucial for health service delivery and the provision of quality care to patients. However, constraints such as limited career opportunities, insufficient workforce, and low remuneration are known to increase the risk that health care staffs migrate from their countries but also within countries such as from faith-based to public hospitals (Tabatabai, Prytherch, Baumgarten, Kisanga, Schmidt-Ehry, & Marx, 2013). Trade unions, according to Mwathe, Gachunga, and Waiganjo (2017), enhance the economic and social circumstances of all employees in a particular nation while also providing help to them whether or not they are employed. They might be seen as an extension of democracy from politics to business (Devinatz, 2011). Employees can utilize trade unions to express their opinions and ideas, according to Zulkiflee and Shahrom (2013). The unions are in a position to make a difference through collective platform offered by the employers. This presents a good avenue for trade unions to press for, and demand for employees' rights (Olufun, milayo& Kola, 2014). Okwudili and Enyioki (2015) linked trade union membership and organizational productivity and observed that trade unionism enhances employee commitment hence leading to improved productivity. Nonetheless limited scholarly work exists linking trade unionism and employee compensation especially among healthcare workers in Kenya. Therefore, this study sought to examine trade union membership and employee compensation in public health sector in Nakuru, Kenya.

### **1.3 Hypothesis of the Study**

**H<sub>01</sub>:** Expanded bargaining power has no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospitals in Kenya.

**H<sub>02</sub>:** Eliminating workplace discrimination does not significantly influence employee compensation among nurses in Nakuru level 5 hospitals in Kenya.

**H<sub>03</sub>:** Reducing income inequality has no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospitals in Kenya

## **II. Literature Review and Hypotheses Development**

### **2.1. Theoretical Framework**

Three trade union theoretical perspectives influenced this research. The standard economic theory, industrial democracy theory, and system theory are the three. These ideas offered a solid foundation for understanding trade union duties and activities in the workplace.

#### **2.1.1 Standard Economic Theory**

The anticipated utility theory is another name for standard economic theory. The early eighteenth-century economists Cramer (1728) and Bernoulli (1748) were among the first to advocate this hypothesis (1738). Neumann and Morgnestern (1944), two centuries later, elaborated on this hypothesis. The idea basically states that humans are self-centred and prefer some services or commodities over others. They also seek pleasure and avoid suffering by avoiding risks. Humans are also logical in their decision-making, and they strive for optimal in every scenario since their resources are finite. According to this belief, trade unions exist to fight for the well-being of employees, including improved pay and working conditions (Hafford et al., 2009). This means that trade unions lobby for higher salaries and wages, raising the cost of manufacturing.

### 2.1.2 Industrial Democracy Theory

In 1897, Sidney and Beatrice Webb established the industrial democracy theory of trade unions. Trade unions, according to the Webbs, are an extension of democracy from politics to industry (Devinatz, 2011). Trade unions are thus viewed as vehicles through which employees may exercise their self-determination in terms of obtaining better wages, working conditions, and labor contracts. Employees elect representatives to negotiate collective bargaining on their behalf. Trade unions are classified as pressure groups whose techniques of interest articulation are based on democratic practices when viewed through democratic glasses. These include collective bargaining and strike action, both of which are permitted in democratic democracies. As a result, trade unions provide opportunities for employees to engage in interaction, debates, and negotiations with their employers in order to win advantageous arrangements. Trade unions are regarded as crucial entities through which employees may advocate for effective corporate governance, including the construction of a good working environment, and also through which the workers' collective good can be attained. (Devinatz, 2011).

### 2.1.3 Systems Theory

In 1958, sociologist John Dunlop established the systems theory. Dunlop is credited for popularizing the Systems Approach to Labor Relations (IR). He envisioned IR as a systematic construct, namely as a sub-system of society. The systems method is made up of four processes: input acquisition, input transformation, output, and feedback. An organization is seen as an open system that exists in a setting known as the environment. The organization impacts its surroundings as well as being impacted by it. (Singh & Singh, 2011).

## 2.2 Conceptual Framework

A conceptual framework is a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Bogdan & Biklen 2006). In conducting the study, a conceptual framework is developed to show the relationship between the independent variables and dependent variable. In this study, the dependent variable is employee compensation and the independent variables are; expanded bargaining power, elimination of workplace discrimination, job security and reduction in income inequality. The constructs and relationships between research variables are illustrated in Figure 1.

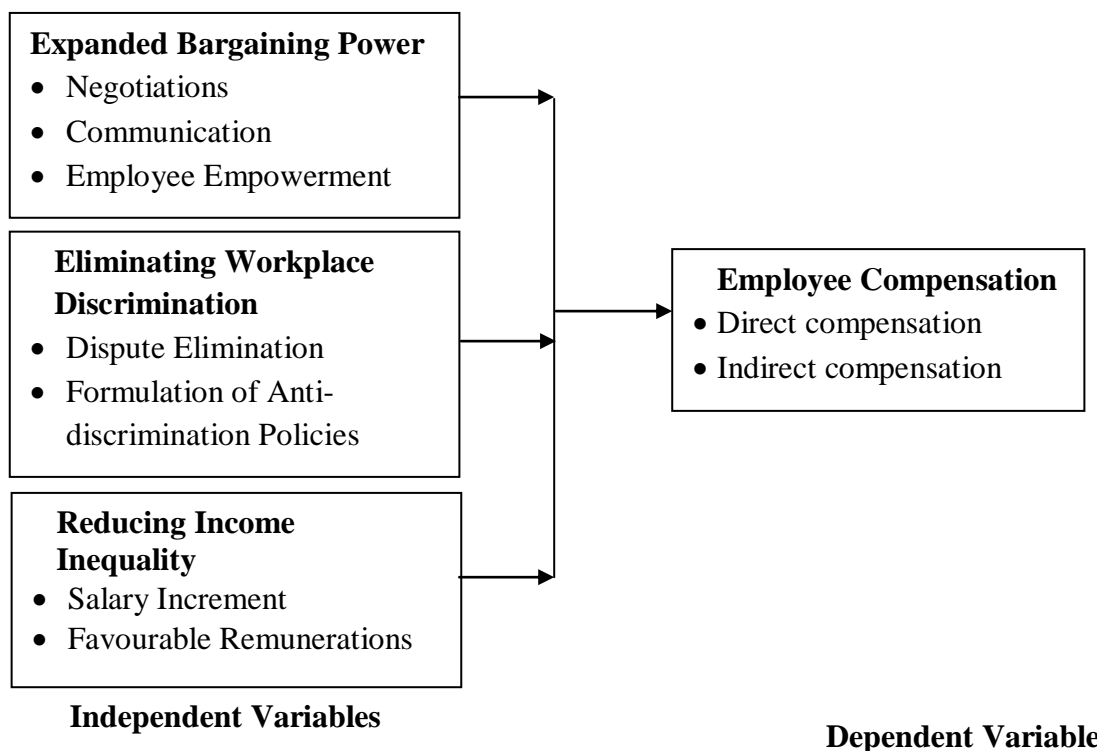


Figure 1: Conceptual Framework

### III. Research Methods

#### 3.1 Research Design

The study employed descriptive survey research design. The design enables the researcher to describe the characteristics of the variables under study in relation to employee compensation in Nakuru level five hospitals. Descriptive studies are also conducted to demonstrate associations or relationships between things in the world around you. In addition, a descriptive survey enables the researcher obtain quantitative data which he can analyze using descriptive and inferential statistics (Saunders et al., 2002).

#### 3.2 Target Population

In statistics, the target population is the population about which information is sought (Ngechu, 2004). The study was conducted in Nakuru level 5 hospital in Kenya. The target population for the study were all the nurses currently working in the hospital. There are 339 nurses working in the hospital. As such the study specifically targeted the 339 nurses in Nakuru Level five hospitals in Kenya.

#### 3.3 Sampling Size and Sampling Procedure

A sample is part of the population that has been procedurally selected to represent the population once the sample has been scientifically taken, the result can be generalized to the entire population. Burns and Groove (2001) refer to sampling as a process of selecting a group of people, events or behaviour with which to conduct a study. Sample size determination for the study was based on a formula by Nassiuma (2000) for calculating sample size 'n' from a population 'N' as follows.

$$n = \frac{NC^2}{C^2 + (N-1)e^2}$$

Where;

n - Sample size,

N - Study total population

C= Coefficient of variation and

e = Error margin

Substituting these values in the equation, estimated sample size (n) will be

$$n = \frac{339 \times 0.3^2}{(0.3^2 + (339-1)0.02^2)}$$
$$n = 135.48 \approx 136$$

As such the study sampled 136 nurses to be the study's respondents. To arrive at the sample, the study adopted simple random sampling to pick the 136 nurses from the 339 nurses in the hospital.

#### 3.4 Data Collection Instruments

The researcher employed the use of a structured questionnaire to collect data from the respondents. The questionnaire consisted of statements constructed in form of a 5-point Likert scale (1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-Strongly Agree). The questionnaires facilitated the collection of data within a short period of time.

#### 3.5 Pilot Study

Before proceeding with data collection, the researcher conducted a pilot study to authenticate the study instruments. In conducting the pilot study, the researcher sought to establish whether the respondents understood the questions and thus offered the information required. Mugenda and Mugenda (2003) argue that conducting a pilot study is important before the main study. The pilot testing was done using 10% (14 nurses) (Hertzog, 2008) of the sample population from Moi Teaching and Referral hospital in Eldoret town, due to the homogenous factors same with Nakuru County.

##### 3.5.1 Validity of the Instrument

Content validity was ascertained by engaging the research supervisor to check and assess the frequency of errors and the accuracy of data expected. Further the researcher considered literature reviewed in coming up with the questionnaire in addition to consulting with various professionals in the campus in seeking guidance in the development of the questionnaire. The process of validation enabled the researcher to test the suitability of the questions, the adequacy of the

instructions provided, the appropriateness of the format and sequence of questions. Some corrections were made to the questionnaires and the final version was printed out.

### 3.5.2 Reliability of the Instrument

The reliability of the research questionnaire for this study was determined through Cronbach alpha coefficient. Cronbach's alpha reliability coefficient normally ranges between 0 and 1. However, there is actually no lower limit to the coefficient. The closer Cronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale. Values above 7 were assumed to indicate that the instrument is reliable.

### 3.6 Data Analysis and Presentation

According to Polit and Hungler (1997), data analysis means to organize, provide structure and elicit meaning. The primary data collected in this study was coded and tested for completeness and then analyzed using descriptive statistics and inferential statistics and presented using tables. A descriptive statistical technique (frequencies, percentages, means and standard deviation) was employed to analyze field data from questionnaires to assist the interpretation and analysis of data using Statistical Package for Social Sciences. Inferential statistics, in form of Pearson correlation coefficient was used to check the relationship between the variables. The researcher then performed multiple regression analysis to fit the following statistical model.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where,

Y - Employee Compensation

X<sub>1</sub> - Expanded Bargaining Power

X<sub>2</sub> - Eliminating workplace discrimination

X<sub>3</sub> - Reducing income inequalities

β<sub>0</sub> - Model Constant

β<sub>1</sub>, β<sub>2</sub>, β<sub>3</sub>, and - Model Coefficients

ε - Error Term.

## IV. Results and Discussions

### 4.1 Correlation Analysis

The study sought to establish the relationships that existed between the independent variables and the dependent variable in the study. Pearson product moment correlation coefficient was used to indicate the relationships.

**Table 1: Correlation Analysis**

		Expanded Bargaining Power	Eliminating Workplace Discrimination	Reducing Income Inequality	Employee Compensation
Expanded Bargaining Power	Pearson Correlation	1	.821**	.677**	.662**
	Sig. (2-tailed)		.000	.000	.000
	N	129	129	129	129
Eliminating Workplace Discrimination	Pearson Correlation	.821**	1	.701**	.679**
	Sig. (2-tailed)	.000		.000	.000
	N	129	129	129	129
Reducing Income Inequality	Pearson Correlation	.677**	.701**	1	.724**
	Sig. (2-tailed)	.000	.000		.000
	N	129	129	129	129
Employee Compensation	Pearson Correlation	.662**	.679**	.724**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	129	129	129	129

The findings on correlation analysis indicated that the independent variables were on average correlated with each other. Expanded bargaining power was shown to have a strong positive significant ( $r=.662$ ,  $p=.000$ ) relationship with employee compensation at  $p<.05$  level of significance. This showed that expanded bargaining power have a direct relationship with employee compensation. As such, expanded bargaining power from the trade union has a significant role in improving employee compensation among nurses in Nakuru level 5 hospital in Kenya. Rolfsen (2013) discovered in his research that labor unions in the United States employ collective bargaining agreements to provide a framework for working conditions, which includes productivity and production. Gyesie (2017) looked at the influence of collective bargaining agreements on employee performance management. It has been demonstrated that collective bargaining has an impact on performance.

Further, findings indicated that eliminating workplace discrimination have a strong positive relationship ( $r=.679$ ,  $p=.000$ ) with employee compensation which was significant at  $p<.05$  level of significance. This means eliminating workplace discrimination has a significant role in determining the compensation of employees in in Nakuru level 5 hospital. As such enhancement of eliminating workplace discrimination enhances the employee compensation among nurses in Nakuru level 5 hospital in Kenya. Other Ethical Trading Initiative (2010) research indicated that trade unions aggressively oppose discrimination and promote equal chances at work. Union representatives are in a good position to detect instances of prejudice and engage with employers to ensure that anti-discrimination regulations are effectively enforced. This contributes to making workplaces more appealing to employees, enhancing staff retention, absenteeism, and productivity, and lowering management time spent handling concerns.

Additionally, a strong positive significant ( $r=.724$ ,  $p=.000$ ) relationship was established between reducing income inequality and employee compensation. The study therefore observed that reducing income inequality was important in determining employee compensation among nurses in Nakuru level 5 hospital in Kenya. As such, the level of reducing income inequality influences the level of commitment the employee would have towards the hospital. Other findings indicate that organizations like labor unions whose aim is to ensure that workers are given fair compensation for their work. Employees who are members of a labor union are given the voice and support to demand for higher wages, a safe working environment and not work more than eight hours without overtime pay (Ismail, 2013).

#### 4.2 Hypothesis Testing

The study employed the use of simple linear regression analysis to establish the individual contribution of the independent variables on the dependent variable. In addition, analysis of variance was used to test the hypotheses at  $p<.05$  level of significance. The first hypothesis  $H_{01}$  indicated that expanded bargaining power has no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospitals in Kenya.

**Table 2: Model Summary for Expanded Bargaining Power**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.662 <sup>a</sup>	.438	.434	.66732

a. Predictors: (Constant), Expanded Bargaining Power

The model summary gave a coefficient of determination ( $R^2$ ) value of 0.438 for the expanded bargaining power and employee compensation. This indicated that expanded bargaining power can account for up to 43.8% of the total variation in employee compensation among nurses in Nakuru level 5 hospitals in Kenya. This demonstrates that expanded bargaining power have a significant contribution on employee compensation.

**Table 3: ANOVA<sup>a</sup> on Expanded Bargaining Power**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.102	1	44.102	99.034	.000 <sup>b</sup>
	Residual	56.556	127	.445		
	Total	100.657	128			

a. Dependent Variable: Employee Compensation

b. Predictors: (Constant), Expanded Bargaining Power

The analysis yielded an F-value of 99.034 with a p-value of 0.000 which was significant at  $p<.05$  level of significance. Therefore, the study observed that expanded bargaining power was significant in determining employee compensation among nurses in Nakuru level 5 hospitals in Kenya. Consequently, the null hypothesis  $H_{01}$  that expanded bargaining

power has no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospitals in Kenya was rejected. Therefore, the study concluded that expanded bargaining power significantly influenced employee compensation in the hospital.

The second hypothesis  $H_{02}$  indicated that eliminating workplace discrimination does not significantly influence employee compensation among nurses in Nakuru level 5 hospitals in Kenya. Simple regression analysis on this hypothesis gave the following results.

**Table 4: Model Summary of Eliminating Workplace Discrimination**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.679 <sup>a</sup>	.461	.457	.65368

a. Predictors: (Constant), Eliminating Workplace Discrimination

From the table, eliminating workplace discrimination was shown to have a significant contribution towards employee compensation among the nurses in Nakuru level 5 hospital. The generated R-squared value was 0.461 indicating that eliminating workplace discrimination could only explain 46.1% of the total variation in employee compensation. The remaining 53.9% of the total variation in employee compensation was unexplained by eliminating workplace discrimination.

**Table 5. ANOVA<sup>a</sup> on Eliminating Workplace Discrimination**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	46.391	1	46.391	108.570	.000 <sup>b</sup>
	Residual	54.266	127	.427		
	<b>Total</b>	<b>100.657</b>	<b>128</b>			

a. Dependent Variable: Employee Compensation

b. Predictors: (Constant), Eliminating Workplace Discrimination

From the analysis, an F-statistic value of 108.570 was established with a p-value of 0.000. As such, the value was significant at  $p < .05$ . Therefore, the study observed that eliminating workplace discrimination had a significant influence on employee compensation. Therefore, the null hypothesis  $H_{02}$  that eliminating workplace discrimination does not significantly influence employee compensation among nurses in Nakuru level 5 hospitals in Kenya was also rejected. Thus, eliminating workplace discrimination has a significant contribution towards employee compensation among the nurses in Nakuru level 5 hospitals.

The final hypothesis implied that reducing income inequality have no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospital in Kenya. To ascertain the truth of this hypothesis, analysis of variance yielded the following results.

**Table 6: Model Summary of Reducing Income Inequality**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.724 <sup>a</sup>	.524	.520	.61425

a. Predictors: (Constant), Reducing Income Inequality

The R-squared value obtained from the model summary was 0.524. This showed that reducing income inequality could only account for only 52.4% of the total variance in employee compensation. This means that reducing income inequality have a very significant role in as far as employee compensation is concerned.

**Table 7: ANOVA<sup>a</sup> on Reducing Income Inequality**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.739	1	52.739	139.779	.000 <sup>b</sup>
	Residual	47.918	127	.377		
	<b>Total</b>	<b>100.657</b>	<b>128</b>			

a. Dependent Variable: Employee Compensation

b. Predictors: (Constant), Reducing Income Inequality

The table gave an F-value of 139.779 which was significant at  $p < 0.05$  level of significance. This indicated that reducing income inequality has a significant influence on employee compensation. As such, the null hypothesis  $H_{03}$  that reducing income inequality has no statistically significant influence on employee compensation among nurses in Nakuru level 5 hospitals in Kenya was rejected. The researcher therefore concluded that reducing income inequality have a significant influence on the compensation of employees among nurses in Nakuru level 5 hospital in Kenya.

#### 4.7 Multiple Regressions

The study sought to establish the influence of independent variables taken together on the dependent variable. Analysis of multiple regressions analysis was carried out to establish whether independent variables taken together had a significant influence on employee compensation among nurses in Nakuru level 5 hospitals. Analysis of variance was used to examine the significance of the relationship at a level of significance of  $p < .05$ . The findings from the analysis were as discussed here below.

**Table 8: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.797 <sup>a</sup>	.636	.624	.54392

a. Predictors: (Constant), Reducing Income Inequality, Expanded Bargaining Power, Eliminating Workplace Discrimination.

From the model summary, the R-squared value of 0.636 was obtained indicating that independent variables taken together accounted for up to 63.6% of the total variance on the employee compensation. As such a variation in trade union benefits influences employee compensation among nurses in Nakuru level 5 hospitals. The remaining 36.4 % in the variation in employee compensation could be explained by factors not included in this model. The analysis of variance gave the following results.

**Table 9: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.972	3	15.993	54.059	.000 <sup>b</sup>
	Residual	36.685	125	.296		
	<b>Total</b>	<b>100.657</b>	<b>128</b>			

a. Dependent Variable: Employee Compensation

b. Predictors: (Constant), Reducing Income Inequality, Expanded Bargaining Power, Eliminating Workplace Discrimination

The analysis of variance yielded an F-value ( $F_{(3, 125)} = 54.059, p = .000$ ) which was significant at  $p < .05$  level of significance. This affirmed that the independent variables taken together had a significant influence on the employee compensation among nurses in Nakuru level 5 hospitals.

**Table 10: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	.568	.242		2.345	.021
	Expanded Bargaining Power	.156	.116	.133	1.347	.180
	Eliminating Workplace Discrimination	-.007	.130	-.007	-.057	.955
	Reducing Income Inequality	.269	.080	.296	3.353	.001

a. Dependent Variable: Employee Compensation

From the model coefficients, the study fitted the model shown below

$$Y = 0.568 + 0.156X_1 - 0.007X_2 + 0.269X_3$$

Where;



Y= Employee Compensation

X<sub>1</sub>= Expanded Bargaining Power

X<sub>2</sub>= Eliminating Workplace Discrimination

X<sub>3</sub>= Reducing Income Inequality

The model shows that the autonomous value of Y (employee compensation) is 0.568 units. This shows that with the other factors remaining constant, employee compensation assumes a value of 0.568 units. Further, holding other factors constant, a unit change in expanded bargaining power results to an increase in Y-autonomous by a factor of 0.156 multiple units. On the other hand, holding other factors constant, a unit change in eliminating workplace discrimination creates a subsequent decline in Y-autonomous by a factor of -0.007 multiple units. Lastly, a unit change in reducing income inequality leads to an increment in Y-autonomous by a factor of 0.269 when all factors are held constant. Therefore, the study observed that the independent variables play an important role in determining the employee compensation among nurses in Nakuru level 5 hospitals.

## **V. Conclusion and Recommendation**

### **5.1 Conclusions of the Study**

From the findings of this study, the independent variables expanded bargaining power, eliminating workplace discrimination and reducing income inequality were all concluded to have a strong significant contribution towards employee compensation among the nurses in Nakuru level 5 Hospital. Based on standard economic theory, human beings are rational in making decisions and always seek optimization because of limited resources thus through expanded bargaining power, they are able to fight for better compensation packages. Therefore, eliminating workplace discrimination has significant relationship with employee compensation among the nurses.

According to industrial democracy theory, increasing bargaining power, eliminating workplace discrimination, and reducing income inequality were concluded to improve employee compensation because trade unions are viewed as vehicles through which workers exercise their self-determination in terms of obtaining good remuneration packages and better labor contacts.

### **5.2 Recommendation of the Study**

The study made various recommendations based on the study variables both independent and the dependent variable. Based on the systems theory, the system approach has output processes which include creation of rules governing all forms of compensation, legislation and terms of collective agreement. Through enhancing expanded bargaining power, trade unions are able to have a significant bargaining power thus enhancing workers output in the hospital. On the other hand, the study recommended that trade unions should enhance their advocacy to reduce workplace discrimination among the nurses. Patients, payers, policymakers, and providers all care about the end results of care, not the technical approaches that providers may adopt to achieve desired outcomes. Simply, process measures are not strong predictors of outcomes that matter and may divert attention from work process improvements that would actually improve outcomes. The study observed that reduction of work place discrimination through adequate compensation enhances employee commitment among the nurses in Nakuru level five hospitals.

Further, reducing income inequality in compensation was shown to enhance employee commitment in the hospitals. Hence, the trade unions and hospitals management should work out a way of reducing income inequalities among nurses in Nakuru level 5 hospitals. This would enhance the employee performance within the hospitals. The study therefore recommends that such study results should be routinely obtained for use in management decision making regarding resource allocation.

### **5.3 Suggestion for Further Studies**

The study was limited to union membership benefits and its influence on employee compensation. In this case, the study found that union membership benefits account for 63.6% of the variation in employee compensation. Thus, the study recommended that other scholars do studies to examine other factors accounting for the remaining variance of 36.4% in employee compensation. On the other hand, the study was limited to Nakuru Kenya and thus could not be generalized to the whole country. As such, the study recommended that the research be replicated in other counties in Kenya to enable generalization of these findings.

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